

# A Grounded Theory Approach to Understanding Jombang Government Strategy in Facing the Era of Digitalization

Pendekatan Grounded Theory Untuk Memahami Strategi Pemerintah Kabupaten Jombang dalam Menghadapi Era Digitalisasi

Received: 6 January 2024 Accepted: 23 May 2024 Published online: 30 June 2024 \*Devy Riesta Zuhrotul Khumairoh<sup>1</sup>, Damainsa Prahesti Nukyanto<sup>2</sup>
<sup>1</sup>Magister Kebijakan Publik, Fakultas Ilmu Sosial dan Ilmu Politik Universitas Airlangga, Surabaya, Indonesia
<sup>2</sup>Badan Pusat Statistik Kota Surabaya

\*Correspondence email: devy.riesta.zuhrotul-2023@fisip.unair.ac.id

#### Abstract

In 1967, Glaser and Strauss created a book entitled "The Discovery of Grounded Theory; Strategies for Qualitative Research", which was published and became a breakthrough in qualitative research. The work offers systematic consensus methodologies and strategies for a wide range of qualitative research practices. When talking about public administration, grounded theory is rarely used in literature studies, especially in Indonesia. In public administration, grounded theory methodology can be directed toward understanding how the government develops strategic processes for policy, both at the organizational and individual levels. This article discusses the grounded theory research method approach, which is aimed at understanding how the Jombang Regency Regional Government develops strategic processes in facing the era of digitalization. In-depth interviews were conducted with 10 high-ranking regional government officials. This is intended to understand in depth their understanding and experience in managing changing situations. The research results show that there are five core categories: (1) human resource development; (2) technological innovation; (3) improving the management system; (4) security; and (5) mindset. By using selective and axial coding, it was found that there were two main functions of strategy that emerged, namely (1) system maintenance; and (2) adaptation to global change.

Keywords: Grounded Theory, Public Administration, Public Policy, Strategy

#### Abstrak

Pada tahun 1967, Glaser dan Strauss menciptakan buku dengan judul "The Discovery of Grounded Theory; Strategies for Qualitative Research", diterbitkan dan menjadi terobosan dalam penelitian kualitatif. Karya tersebut menawarkan metodologi dan strategi konsensus sistematis untuk berbagai macam praktik penelitian kualitatif. Berbicara mengenai administrasi publik, Grounded Theory cukup jarang digunakan dalam studi literatur khususnya di Indonesia. Dalam administrasi publik, metodologi Grounded Theory dapat diarahkan untuk memahami bagaimana Pemerintah mengembangkan proses strategis terhadap kebijakan, baik pada tingkat organisasi maupun individu. Artikel ini membahas mengenai pendekatan metode penelitian grounded theory yang diarahkan untuk memahami bagaimana Pemerintah Daerah Kabupaten Jombang mengembangkan proses strategis dalam menghadapi era digitalisasi. Wawancara mendalam dilakukan terhadap 10 Pejabat Tinggi Pemerintah Daerah. Hal tersebut dimaksudkan untuk memahami secara mendalam pemahaman dan pengalaman mereka dalam mengelola perubahan situasi. Hasil penelitian menunjukkan bahwa terdapat lima core category: (1) pengembangan SDM; (2) inovasi teknologi; (3) perbaikan sistem manajemen; (4) keamanan; dan (5) pola pikir. Dengan menggunakan pengkodean yang selektif dan aksial, ditemukan bahwa terdapat dua fungsi utama strategi yang muncul, yaitu (1) pemeliharaan sistem; dan (2) adaptasi dengan perubahan global.

Kata kunci: Grounded Theory, Public Administration, Public Policy, Strategi

Jejaring Administrasi Publik | p-ISSN 2086-3101, e-ISSN 2086-3989 | Vol.16 No.1 2024 | DOI: 10.20473/jap.v16i1.53718 | Published by Universitas Airlangga in collaboration with Indonesian Association for Public Administration (IAPA). | Copyright (c) 2024 Devy Riesta Zuhrotul Khumairoh, Damainsa Prahesti Nukyanto. | This is an Open Access (OA) article under the CC BY-SA 4.0 International License (https://creativecommons.org/licenses/by-sa/4.0/). How to cite:

Khumairoh, D.R.Z. & Nukyanto, D.P. (2024). A Grounded Theory Approach to Understanding Jombang Government Strategy in Facing the Era of Digitalization. Jejaring Administrasi Publik, 16(1), 33-43. https://doi.org/10.20473/jap.v16i1.53718

## Introduction

The very rapid development of this era is part of the impact of the strong influence of globalization, meaning that there is a relationship between the needs of society and the policies and work results of the Regional Government (Pemda) to fulfill them. Pemda Jombang is required to always be sensitive to developments in community needs. High-quality work results that are in line with the real needs of the community are indicators of success that need to be realized by the Pemda Jombang. However, the problem of society's demands and needs for organizational performance tends to change frequently. The high and satisfying quality that occurs today may not necessarily occur or be the same thing in the future. As a result, the government will always be required to be able to implement appropriate and up-to-date strategies that are able to accommodate effectively changing situations (Carnevale, 1991; Das, 1995; Himam, 1996, 2002).

Given the complexity of organizational strategy development, it is crucial to have a fundamental and in-depth understanding of the method and direction used to develop an organization's strategy. Therefore, this theme is often raised and is of interest to some researchers (DiBella, 1993; Van de Ven & Poole, 1995; Nevis et al., 1995; Herscovitch & Meyer, 2002). To explain the process of developing strategies implemented by organizations, especially local government, in facing changing situations (regional autonomy, globalization, developments in information technology, etc.), is not an easy and simple thing; therefore, many experts still experience difficulties in developing appropriate concepts to explain the process (Van de ven & Poole, 1995; Clute et al., 1999).

In the era of the Industrial Revolution in the western world, this situation can be described through automation and standardization of work processes. Automation is seen as a breakthrough to improve organizational performance (Stickland, 1998). However, the current era of globalization means that this concept is no longer relevant. Organizations are starting to be required to no longer be product-oriented but must start to be service-oriented in accordance with the development of society's needs (Lazlo & Laugel, 2000). Therefore, the process of understanding what strategies are most effective for dealing with changing situations continues to develop (Gowing et al., 1998; Cady & Hardalupas, 1999).

However, these efforts to understand instead create a wide variety of models and concepts that lead to theoretical pluralism, which often confuses actors when applying them in the real world (Van de Ven & Poole, 1995). This situation has the potential for compartmentalization in understanding the same phenomenon, making it difficult to find a common thread that connects the relationship between one model or concept and other models. This situation causes the strategy development process based on one understanding model to often not produce the expected performance. By understanding the direction of the problem, this research was not created to add complexity or confusion to understanding the process of developing organizational strategies for dealing with changing situations. This research is aimed more at efforts to explore the development of new contextual understandings that are the background to the phenomenon under study.

It is hoped that this research can contribute positively to efforts to develop theoretical models that can be used to understand the processes developed by an organization in facing changing situations. Practically, it is hoped that the results of this research can be used as a basis for formulating research-based recommendations for efforts to develop the effectiveness of organizational strategies.

Efforts to understand the organizational strategy development process require a holistic approach, which can link the organization's mission with environmental demands. Therefore, a qualitative approach is needed that is able to reconstruct the entire process that occurred. A quantitative approach is not appropriate to use because: (1) it is very difficult to determine and identify what variables are involved in the strategy development process because this phenomenon is contextbound. This means that the environment and its dimensions must be understood in depth to be able to understand organizational strategy (Bogdan & Biklen, 1992; Stake, 1995); (2) the strategy phenomenon is a process that requires a holistic and multi-dimensional understanding. Quantitative approaches are not designed to examine research phenomenon of this kind (Creswell, 2002).

Based on this understanding, it is clear that this research is not aimed at proving theories or hypotheses but is aimed at answering one big question, namely: what organizational or individual strategies have the Pemda Jombang and its officials developed in facing the era of digitalization?

## Method

This research is focused on efforts to produce theory that can be used to understand the context of organizational strategy development. Therefore, the Grounded Theory approach is very appropriate to use. This approach functions to understand symptoms that: (1) are a process that tends to change from time to time; (2) are goal-oriented, which occurs in a planned manner and is directed at achieving certain goals; and (3) involve intervening conditions that facilitate the emergence of the symptoms studied (Strauss & Corbin, 1990).

Grounded theory is basically a cyclical process that is directed at efforts to develop a theoretical model based on the experiences and learning processes of the participants studied. For this reason, it is necessary to have a continuous process of data collection and analysis until sufficient basic information is obtained to come up with a theory. This information was collected through indepth interview methods, which comprehensively revealed individual perceptions and experiences in developing organizational strategies for dealing with regional autonomy.

The material used in this research is an interview guide, which basically asks about how the Pemda Jombang develops strategies for facing the era of digitalization. The tool used in this research was a cell phone to record interviews.

To represent the Pemda Jombang, research subjects or participants were taken from the Jombang Regency BKPSDM and the Jombang Regency Bappeda. The research team, consisting of one researcher, approached each head to ask for permission to conduct interviews with several staff related to the formulation of personnel administration digitalization policies. The difficulty faced is finding time to collect data. Several times the data collection process failed because, at the promised time, it turned out that some of them had events or other tasks that were sudden and could not be left behind. Therefore, some interviews have been rescheduled. The number of regional government officials who were successfully interviewed was 10.

### **Result and Discussion**

Researchers used open-coding techniques (Strauss & Corbin, 1990; Creswell, 1996) to look at the interview results. They then looked for categories that could help explain the Pemda Jombang Regency's strategy for dealing with the digital age. The transcription of interview results was used as analyzed data.

The experiences of research participants can be grouped into two broad categories, namely: (a) strategy at the organizational level; and (b) strategies at the individual level (Table 1). Each category is then broken down into general themes, which include: (a) organizational strategy: technological innovation, security, improved management systems, and private collaboration; (b) individual strategy: development of human resources (HR) and mindset.

Category	Indicator	Example
1. Human Resource Development	<ul><li>Participation</li><li>Skill</li><li>Communication lines</li><li>Partnership</li></ul>	<ul> <li>Participation</li> <li>Expertise to operate devices and software in the system</li> <li>Variations in communication access</li> <li>Granting rights, increasing roles, and entrepreneurship</li> </ul>
2. Technological Innovation	<ul><li>Integrated system</li><li>Supported devices</li><li>Stable network</li></ul>	<ul> <li>Building an integrated information system that integrates data from various government departments and agencies.</li> <li>The device must support the large amount of data received and processed</li> <li>the existence of a stable network for efficiency and effectiveness</li> </ul>
3. Improving the Management	<ul><li>Focus on performance</li><li>Decentralization role</li><li>Delegation authority,</li></ul>	<ul> <li>Performance-based administration, performance-based budgeting</li> <li>Empowerment of local institutions</li> </ul>

Table 1. General themes of Pemda Jombang strategy in facing the digitalization era

Jejaring Administrasi Publik, vol.16 no.1 (2024) 33-43

System	<ul> <li>duties, and decision- making</li> <li>Development management competency</li> </ul>	<ul> <li>(district, sub-district) about digitalization</li> <li>Encourage sub-districts and sub-districts to carry out their authority about digitalization</li> <li>Building strong leadership that is able to pay attention to aspirations, professionalism and control group quality about digitalization</li> </ul>
4. Security	<ul> <li>Data protection</li> <li>Regulations regarding privacy and security</li> </ul>	<ul> <li>Increase cybersecurity capacity to protect critical data and systems</li> <li>Create policies and regulations that support the development of digital technology</li> </ul>
5. Mindset	<ul> <li>Willing to learn</li> <li>Eroding bureaucratic mentality</li> <li>Development of a shared vision</li> <li>Acceptance of change</li> </ul>	<ul> <li>A willingness to learn about technology</li> <li>Erodes pride of ownership subordinate. Staff and facilities supposed to serve society, not individuals</li> <li>Develop staff to support the vision and leadership of locomotive, and carriages must be in line with the locomotive.</li> <li>Openness of information, developing a team feeling, and trying to involve people based on competence</li> </ul>

## Human Resource Development

One of the research participants said, "*Digitalization means empowering human resources, but what is the actual direction of human empowerment?*" This expression reflects how the Pemda Jombang as an organization is trying to translate the direction of its performance in this era of digitalization. To be digital, society must be empowered.

There are several efforts related to empowering human resources, namely: (1) developing human resource participation. This means that employees are given the freedom to take part, be involved, and work together in digitalizing the government. This is different from the era before the autonomy period came into effect. In this era, people are more passive and have a quiet attitude; (2) have the expertise to operate tools and software in the system so that government processes can run smoothly; (3) open information and communication channels by providing a variety of access to communicate directly with the Pemda (for example, via hotline, Short Message System (SMS), etc.); and (4) there are opportunities for collaboration with third parties or the private sector in developing systems and human resources.

#### Technological Innovation

The Pemda can take various steps to face the digitalization era in order to optimize benefits and minimize risks. By using the tool wisely, the government can increase its capacity and responsibility to face rapid changes in the era of digitalization.

There are several efforts related to technological innovation, namely: (1) building an integrated information system that integrates data from various government departments and agencies; (2) supported devices; the device must support the large amount of data received and processed; and (3) a stable network; the existence of a stable network is important for efficiency and effectiveness. These steps can help governments respond effectively to rapid changes in the era of digitalization and ensure that society can take maximum advantage of technological developments.

#### **Improving the Management System**

There are several efforts related to improving the management system, namely: (1) For performance-based administration and performance-based budgeting, the Pemda Jombang needs to implement a digital performance management system to track and assess employee performance, set clear performance targets, and provide ongoing feedback about administration and budgeting. (2) empowerment of local institutions (district, sub-district) about digitalization; the Pemda Jombang needs to organize capacity-building programs focusing on specific digital skills relevant to local governance, such as data management, e-governance systems, and digital communication. (3) encourage sub-districts and sub-districts to carry out their authority about digitalization; they need to develop a clear and supportive policy framework that empowers sub-districts to implement digital initiatives, as well as clearly define the roles, responsibilities, and authorities of sub-districts in the context of digitalization; and (4) build strong leadership that is able to pay attention to aspirations, professionalism, and control group quality about digitalization; they need to implement targeted leadership development programs focused on digital transformation and provide training on digital trends, emerging technologies, and leadership skills relevant to the digital age.

## Security

Security is crucial in government for several reasons, as it plays a fundamental role in safeguarding the integrity, confidentiality, and availability of sensitive information, as well as ensuring the overall stability and functionality of government operations.

There are several efforts related to improving the management system, namely: (1), data protection. Governments need to increase cybersecurity capacity to protect critical data and systems for several compelling reasons, given the evolving threat landscape and the increasing reliance on digital technologies. Critical government functions, including defense, intelligence, and emergency response, rely on secure and resilient information systems. Cybersecurity safeguards these systems

against unauthorized access, espionage, and cyberattacks that could compromise national security, as well as (2) regulations regarding privacy and security. Governments enact regulations regarding privacy and security for a variety of important reasons, reflecting the need to balance individual rights, protect sensitive information, and ensure the overall well-being of society. Regulations aim to protect the privacy of individuals by establishing rules and standards for the collection, processing, and storage of personal information. This helps prevent unauthorized access, misuse, and exploitation of sensitive data.

Open-minded individuals play a crucial role in governance for several reasons, as their characteristics contribute to effective decision-making, inclusivity, and adaptability in the face of complex and diverse challenges.

There are several efforts related to improving the management system, namely: (1), will to learn. An individual's willingness to learn is crucial in government for several reasons, as it contributes to personal growth, organizational effectiveness, and the overall progress of governance. (2) eroding bureaucratic mentality. Eroding bureaucratic mentality involves challenging and transforming traditional bureaucratic practices to foster a more agile, innovative, and citizen-centric approach within government organizations. The term "bureaucratic mentality" often refers to a set of rigid, hierarchical, and rule-bound behaviors that can hinder responsiveness and adaptability. (3) development of a shared vision. The development of a shared vision in government is crucial for aligning efforts, fostering collaboration, and achieving common goals. A shared vision provides a clear and inspiring picture of the desired future that stakeholders collectively work towards and (4) acceptance of change. Achieving acceptance of change among people in government is often a complex process that requires effective communication, leadership, and a supportive organizational culture.

From this description, it can be concluded that changes in perspective must be implemented in the understanding of regional government officials as public servants, not as bureaucrats who must be served. This means that digitalization creates demands for individual workers to want to change and adapt their knowledge, abilities, attitudes, and work direction in accordance with the demands of society, which continues to develop. Firmness in translating the organization's vision will have a huge influence on the success of the Pemda Jombang in facing these demands. The same vision will make individual work into a synergistic whole.

Based on the information contained in Table 1, the existing categories were then selected and reanalyzed to find their relationships with each other. This is done by reviewing these categories with a new perspective so that we can find out the context behind the development of a type of strategy, the intervening variables that facilitate the emergence of the strategy, and the consequences of the strategy being developed. This method is an embodiment of axial coding and selective coding as

procedures for analyzing and interpreting data (Strauss & Corbin, 1990).

From Figure 1, it can be seen that the existence and function of the Pemda currently appear to be in the process of moving towards change. This is mainly due to the emergence of Presidential Regulation (PERPRES) Number 95 of 2018 concerning electronic-based government systems. The Pemda, which initially carried out its administrative needs manually, must now be digitized. The enactment of this law clearly has a broad impact on how the Pemda is perceived by the public, how local government employees themselves perceive changes in these functions, and what the pattern of the Pemda's relationship with the new digital system is.

This situation will clearly greatly influence the strategy that must be developed. Pemda, in this case, needs to develop appropriate strategies, both organizationally and individually, in accordance with the changes they face and the context that influences them. Globalization, developments in information and communication technology (for example, the internet), as well as changes in vision and mission, must be taken into consideration for strategy development efforts. Understanding this, the Pemda inevitably has to place community empowerment efforts as the main strategy in responding to changes in the situation and the implementation of Presidential Regulation (PERPRES) Number 95 of 2018. Through empowerment efforts, employees are invited to participate and work together to maximize their potential so that at least administration systems can be integrated.



Figure 1. Theoretical Model of Pemda Jombang Strategy in Facing the Era of Digitalization (Source: Processed by researcher, 2023)

To achieve this goal, efficiency needs to be created by improving the internal functions of the Pemda Jombang organization, such as improving the quality of human resources, changing mindsets, streamlining structures, and improving management systems in general. In this way, Pemda Jombang will be able to function efficiently and produce excellent-quality services that are in line with the developing demands and needs of society and the environment.

In order to be able to function this strategy optimally so that it is able to produce output as planned, the Pemda Jombang needs to pay attention to several influencing variables. These variables include: changes in organizational climate and culture, individual readiness to face change, as well as the effectiveness of cooperation and networking. By integrating these variables into organizational strategy, Pemda Jombang functions will be more optimal.

From the research results, it can be seen that in dealing with changing situations, the Pemda Jombang carries out two main strategies, namely: (1) maintaining the current system (maintenance function); and (2) adaptation (the function of adapting to the environment).

Efforts to maintain organizational system functions can be seen in human resource development, technological innovation, improving the management system, security, and mindset. These strategic efforts are directed at efforts to maintain and strengthen the organization's internal functions so that the organization remains able to carry out routine daily activities. days (e.g., maintaining a stable condition). Without this effort, it is clear that digitalization will result in the breakdown of all internal organizational functions, and local governments will not be able, for example, to provide routine services to their communities. It is important in this case to involve the community as a control in the government system; their complaints are the best suggestions for improving the system from outside. Collaboration with third parties or the private sector is also a good effort so that the development of digitalization in government can progress further.

The development of these two strategies is in line with the results of Himam's (2002) research, which found that maintenance and adaptation reactions are the two main patterns of organizational behavior in facing changing situations. In this case, the maintenance strategy functions to create a support system that is able to maintain the continuity of organizational functions as well as create momentum for adaptation.

Other experts, Cross and Smith (1996), see the adaptation phenomenon (e.g., community empowerment, attracting investors) as an effort to create customer bonding. This means that by involving the community and investors in managing existing regional resource potential, the regional government directly creates a kind of attachment based on a feeling of mutual benefit. This engagement will make the regional government's relationship with the community and investors sustainable.

#### Conclusion

By analyzing and synthesizing research results and discussions, it can be concluded that Pemda Jombang's strategy in the digitalization era includes two main things, namely:

- 1. Strategy that leads to efforts to maintain existing system functions. This strategy includes efforts at human resource development, technological innovation, improving the management system, security, and mindset of the officers. This strategy functions to maintain the continuity of the organization's work, so that even though the situation faced by the Pemda Jombang has changed and the Pemda is still in the process of adapting to these changes, as an institution it is still able to produce the output expected by the community;
- 2. A strategy that refers to efforts to adapt to changes in environmental demands. This strategy includes community empowerment and opening up investment opportunities for third parties. Through this strategy, it is hoped that the Pemda Jombang will be able to stimulate community participation and attract investors' interest in investing in Jombang.

From the conclusions above, it is recommended to:

- 1. Further quantitative research was carried out to validate the results and assess the possibility of generalizing the results if the results of this research were to be used to predict strategies developed by other Pemda in Indonesia.
- 2. Due to limited time and access to the Pemda, efforts to test the validity of the results of this research are still limited to internal validity tests carried out through consistent interpretation of research results among researchers. Therefore, it is recommended, in further research, to involve research participants to review the resulting research conclusions (for example, triangulation);
- 3. As a follow-up, the results of this research can be translated into more concrete forms of Pemda organizational development. For this reason, further collaboration with the Pemda is needed to translate the results of this research into training and consultation programs.

## References

- Bogdan, L. C., & Biklen, S. K. (1992). *Qualitative Research in Education: An Introduction to Theory and Methods.* Boston: Allyn & Bacon.
- Cady, S. H., & Hardalupas, L. (A lexicon for organizational change: examining the use of language in popular, practitioner, and scholar periodicals). 1999. The Journal of Applied Business Research, 81–94.
- Carnevale, A. P. (1991). *American and the new economy*. Washington, D.C.: The Labor Society for Training and Development and the U.S. Department of Labor.
- Clute, P. W., Clute, P., & Associates. (1999). Change at oil refinery: toward the creation of a learning organization. *Human Resources Planning*, 24-38.
- Creswell, J. W. (2002). *Educational research: planning, conducting, and evaluating qualitative and quantitative research.* Colombus, OH: Merril Prentice Hall.
- Cross, R., & Smith, J. (1996). *Customer bonding: Pathway to lasting customer loyalty*. Lincolnwood: IL: NTC Business Books.
- Das, T. K. (1995). Managing Strategic Flexibility: Key to Effective Performance. *Journal of General Management*, 60-75.

- DiBella, A. J. (1993). The role of assumptions in implementing management practices across cultural boundaries. *The Journal of Applied Behavioral Sciences*, 311-327.
- Gowing, K. F., Kraft, J. D., & Quick, J. C. (1998). *The new organization reality: downsizing, restructuring, and revitalization.* Washington, D.C.: American Psychological Association.
- Herscovitch, L., & Meyer, J. P. (2002). Commitment to organizational change: extension of threecomponent model. *Journal of Applied Psychology*, 474-487.
- Himam, F. (1996). Explaining change in organization: a grounded theory study of how the Housing Department of the University of Nebraska-Lincoln experiences change. (*research project, University of Nebraska-Lincoln, USA*).
- Himam, F. (2002). Inventing The Future: A Meta-Etnographic Analysis Towards Understanding The Process of Individual and Organizational Adaptive Strategies to Change. (Unpublished Doctoral Dissertation), University of Nebraska-Lincoln, Nebraska, USA.
- Indonesia. (2018). Peraturan Presiden (PERPRES) Nomor 95 Tahun 2018 tentang Sistem Pemerintahan Berbasis Elektronik. Jakarta.
- Lazlo, C., & Laugel, J.-F. (2000). *Large-scale organizational change: An Executive's guide*. Boston, Massachusetts: Butterworth Heinemann.
- Nevis, E. C., DiBella, A. J., & Gould, J. M. (1995). Understanding organizations as learning systems. *Sloan Management Review*, 73-85.
- Stake, R. E. (1995). The art of case study research. Thousand oaks, CA: Sage Publications.
- Stickland, F. (1998). *The dynamics of change: insights into organizational transition from the natural world.* London: Routlege.
- Strauss, A. L., & Corbin, J. (1990). *Basics of qualitative research: grounded theory, procedures, and technique*. Newbury Park: Sage Publications.
- Van de Ven, A. H., & Poole, M. S. (1995). Explaining development and change in organizations. *Academy of Management Review*, 510-540.